

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 278 be amended to read as follows:

- 1 Page 2, between lines 3 and 4, begin a new paragraph and insert:
- 2 "SECTION 2. IC 4-33-12-6, AS AMENDED BY P.L.4-2005,
- 3 SECTION 23, IS AMENDED TO READ AS FOLLOWS
- 4 [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The department shall place
- 5 in the state general fund the tax revenue collected under this chapter.
- 6 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,
- 7 the treasurer of state shall quarterly pay the following amounts:
- 8 (1) Except as provided in subsection (k), one dollar (\$1) of the
- 9 admissions tax collected by the licensed owner for each person
- 10 embarking on a gambling excursion during the quarter or admitted
- 11 to a riverboat that has implemented flexible scheduling under
- 12 IC 4-33-6-21 during the quarter shall be paid to:
- 13 (A) the city in which the riverboat is docked, if the city:
- 14 (i) is located in a county having a population of more than
- 15 one hundred ten thousand (110,000) but less than one
- 16 hundred fifteen thousand (115,000); or
- 17 (ii) is contiguous to the Ohio River and is the largest city in
- 18 the county; and
- 19 (B) the county in which the riverboat is docked, if the riverboat
- 20 is not docked in a city described in clause (A).
- 21 (2) Except as provided in subsection (k), one dollar (\$1) of the
- 22 admissions tax collected by the licensed owner for each person:
- 23 (A) embarking on a gambling excursion during the quarter; or
- 24 (B) admitted to a riverboat during the quarter that has
- 25 implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the

1 following amounts:

2 (1) Twenty-five percent (25%) of the admissions tax collected
 3 during the quarter shall be paid to the county treasurer of the
 4 county in which the riverboat is docked. The county treasurer
 5 shall distribute the money received under this subdivision as
 6 follows:

7 (A) Twenty percent (20%) shall be quarterly distributed to the
 8 county treasurer of a county having a population of more than
 9 thirty-nine thousand six hundred (39,600) but less than forty
 10 thousand (40,000) for appropriation by the county fiscal body
 11 after receiving a recommendation from the county executive.
 12 The county fiscal body for the receiving county shall provide
 13 for the distribution of the money received under this clause to
 14 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
 15 the county under a formula established by the county fiscal
 16 body after receiving a recommendation from the county
 17 executive.

18 (B) Twenty percent (20%) shall be quarterly distributed to the
 19 county treasurer of a county having a population of more than
 20 ten thousand seven hundred (10,700) but less than twelve
 21 thousand (12,000) for appropriation by the county fiscal body.
 22 The county fiscal body for the receiving county shall provide
 23 for the distribution of the money received under this clause to
 24 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
 25 the county under a formula established by the county fiscal
 26 body after receiving a recommendation from the county
 27 executive.

28 (C) Sixty percent (60%) shall be retained by the county where
 29 the riverboat is docked for appropriation by the county fiscal
 30 body after receiving a recommendation from the county
 31 executive. The county fiscal body shall provide for the
 32 distribution of part or all of the money received under this
 33 clause to the following under a formula established by the
 34 county fiscal body:

35 (i) A town having a population of more than two thousand
 36 two hundred (2,200) but less than three thousand five
 37 hundred (3,500) located in a county having a population of
 38 more than nineteen thousand three hundred (19,300) but less
 39 than twenty thousand (20,000).

40 (ii) A town having a population of more than three thousand
 41 five hundred (3,500) located in a county having a population
 42 of more than nineteen thousand three hundred (19,300) but
 43 less than twenty thousand (20,000).

44 (2) Sixteen percent (16%) of the admissions tax collected during
 45 the quarter shall be paid in equal amounts to each town that:

46 (A) is located in the county in which the riverboat docks; and
 47 (B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.

(3) Nine percent (9%) of the admissions tax collected during the quarter shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.

(4) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(5) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(A) Job creation and retention.

(B) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(C) Housing.

(D) Workforce training.

(E) Health care.

(F) Local planning.

(G) Land use.

(H) Assistance to regional economic development groups.

(I) Other regional development issues as determined by the Indiana economic development corporation.

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents (\$0.09) of the

admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through (c)(2), or (d)(1) through (d)(2):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b).

(2) Each entity receiving money under subsection (d)(1) through (d)(2).

(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under ~~IC 4-33-13-5(g)~~ **IC 4-33-13-5(f)**.

(k) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceed a particular entity's base year revenue; and
 - (2) would otherwise be due to the entity under this section;
- to the property tax replacement fund instead of to the entity.

SECTION 3. IC 4-33-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, ~~each month~~ the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter ~~to the following:~~ **as follows:**

- (1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter **in a state fiscal year** shall be set aside for revenue sharing under subsection ~~(c)~~ **(d)**.
- (2) ~~Subject to subsection (c); twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner~~ **Beginning on the last business day of September and on the last business day of each remaining month in a state fiscal year, one hundred thousand dollars (\$100,000) shall be paid to the county treasurer of each county in Indiana. If the amounts deposited in the state gaming fund are insufficient to fully pay the amounts required under this subdivision in a particular month, the treasurer of state shall equally reduce the amount paid to each county treasurer in the month.**

~~(A) to the city that is designated as the home dock of the~~

riverboat from which the tax revenue was collected; in the case of:

- (i) a city described in IC 4-33-12-6(b)(1)(A); or
- (ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
- (B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected; in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection ~~(d)~~; (c), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. In each state fiscal year beginning after June 30, 2003, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter as follows:

- (1) Thirty-seven and one half percent (37.5%) shall be paid to the property tax replacement fund established under IC 6-1.1-21.
- (2) Thirty-seven and one-half percent (37.5%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the amount described in this subdivision shall be paid to the property tax replacement fund established under IC 6-1.1-21.
- (3) Five percent (5%) shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.
- (4) Ten percent (10%) shall be paid in equal amounts to each town that:

- (A) is located in the county in which the riverboat docks; and
- (B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.

- (5) Ten percent (10%) shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

- (A) Twenty percent (20%) shall be quarterly distributed to the

county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:

(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(c) For each city and county receiving money under subsection (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes

1 that:

2 ~~(1)~~ exceeds a particular city or county's base year revenue; and
 3 ~~(2)~~ would otherwise be due to the city or county under this
 4 section;

5 to the property tax replacement fund instead of to the city or county.

6 ~~(d)~~ (c) Each state fiscal year the treasurer of state shall transfer from
 7 the tax revenue remitted to the property tax replacement fund under
 8 subsection (a)(3) to the build Indiana fund an amount that when added
 9 to the following may not exceed two hundred fifty million dollars
 10 (\$250,000,000):

11 (1) Surplus lottery revenues under IC 4-30-17-3.

12 (2) Surplus revenue from the charity gaming enforcement fund
 13 under IC 4-32-10-6.

14 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

15 The treasurer of state shall make transfers on a monthly basis as needed
 16 to meet the obligations of the build Indiana fund. If in any state fiscal
 17 year insufficient money is transferred to the property tax replacement
 18 fund under subsection (a)(3) to comply with this subsection, the
 19 treasurer of state shall reduce the amount transferred to the build
 20 Indiana fund to the amount available in the property tax replacement
 21 fund from the transfers under subsection (a)(3) for the state fiscal year.

22 ~~(e)~~ (d) Before August 15 of 2003 and each year thereafter, the
 23 treasurer of state shall distribute the wagering taxes set aside for
 24 revenue sharing under subsection (a)(1) to the county treasurer of each
 25 county that does not have a riverboat according to the ratio that the
 26 county's population bears to the total population of the counties that do
 27 not have a riverboat. Except as provided in subsection ~~(h)~~, (g), the
 28 county auditor shall distribute the money received by the county under
 29 this subsection as follows:

30 (1) To each city located in the county according to the ratio the
 31 city's population bears to the total population of the county.

32 (2) To each town located in the county according to the ratio the
 33 town's population bears to the total population of the county.

34 (3) After the distributions required in subdivisions (1) and (2) are
 35 made, the remainder shall be retained by the county.

36 ~~(f)~~ (e) Money received by a city, town, or county under subsection
 37 ~~(e)~~ (d) or ~~(h)~~ (g) may be used for any of the following purposes:

38 (1) To reduce the property tax levy of the city, town, or county for
 39 a particular year (a property tax reduction under this subdivision
 40 does not reduce the maximum levy of the city, town, or county
 41 under IC 6-1.1-18.5);

42 (2) For deposit in a special fund or allocation fund created under
 43 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 44 IC 36-7-30 to provide funding for additional credits for property
 45 tax replacement in property tax increment allocation areas or debt
 46 repayment.

47 (3) To fund sewer and water projects, including storm water

management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

~~(g)~~ **(f)** This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of 2003 and each year thereafter, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6.

~~(h)~~ **(g)** This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (d) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(h) A county that receives money under subsection (a)(2) may use the money for the following purposes:

(1) To reduce the property tax levy of the county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the county under IC 6-1.1-18.5).

(2) A project that would be considered an economic development project under IC 6-3.5-7-13.1.

(3) To construct, reconstruct, repair, or maintain streets and roads under the county's jurisdiction."

Renumber all SECTIONS consecutively.

(Reference is to ESB 278 as printed March 25, 2005.

Representative Davis